HOUSE BILL 2904

State of Washington 59th Legislature 2006 Regular Session

By Representatives Bailey, Skinner, Haler, Alexander, Curtis, Talcott, Hinkle, Condotta, Clements, Pearson, Ahern, Strow, Schindler, Dunn, Anderson, McDonald, Serben, Roach, McCune, Shabro, Ericksen and Holmquist

Read first time 01/16/2006. Referred to Committee on Health Care.

- 1 AN ACT Relating to the sunset review of certain health insurance
- 2 provisions; adding new sections to chapter 43.131 RCW; and providing an
- 3 effective date.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 43.131 RCW
- 6 to read as follows:
- 7 The provisions of chapter 48.21 RCW, group and blanket disability
- 8 insurance, shall be terminated July 1, 2008, as provided in section 2
- 9 of this act.
- 10 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 43.131 RCW
- 11 to read as follows:
- 12 The following acts or parts of acts, as now existing or hereafter
- 13 amended, are each repealed, effective July 1, 2009:
- 14 (1) RCW 48.21.010 ("Group disability insurance" defined) and 1992
- 15 c 226 s 2, 1949 c 190 s 27, & 1947 c 79 s .21.01;
- 16 (2) RCW 48.21.015 ("Group stop loss insurance" defined for the
- 17 purpose of exemption--Scope of application) and 2000 c 80 s 8 & 1992 c
- 18 226 s 3;

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- 1 (3) RCW 48.21.020 ("Employees," "employer" defined) and 1947 c 79 2 s .21.02;
- 3 (4) RCW 48.21.030 (Health care groups) and 1947 c 79 s .21.03;
- 4 (5) RCW 48.21.040 ("Blanket disability insurance" defined) and 1959 5 c 225 s 7 & 1947 c 79 s .21.04;
- 6 (6) RCW 48.21.045 (Health plan benefits for small employers-7 Coverage--Exemption from statutory requirements--Premium rates-8 Requirements for providing coverage for small employers--Definitions)
 9 and 2004 c 244 s 1, 1995 c 265 s 14, & 1990 c 187 s 2;
- 10 (7) RCW 48.21.047 (Requirements for plans offered to small 11 employers--Definitions) and 2005 c 223 s 11 & 1995 c 265 s 22;
- 12 (8) RCW 48.21.050 (Standard provisions required) and 1947 c 79 s .21.05;
- 14 (9) RCW 48.21.060 (The contract--Representations) and 1947 c 79 s .21.06;
- 16 (10) RCW 48.21.070 (Payment of premiums) and 1947 c 79 s .21.07;
- 17 (11) RCW 48.21.075 (Payment of premiums by employee in event of suspension of compensation due to labor dispute) and 1975 1st ex.s. c 19 117 s 1;
- 20 (12) RCW 48.21.080 (Certificates of coverage) and 1961 c 194 s 6 & 21 1947 c 79 s .21.08;
- 22 (13) RCW 48.21.090 (Age limitations) and 1947 c 79 s .21.09;
- 23 (14) RCW 48.21.100 (Examination and autopsy) and 1947 c 79 s 24 .21.10;
- 25 (15) RCW 48.21.110 (Payment of benefits) and 1955 c 303 s 17 & 1947 26 c 79 s .21.11;
- 27 (16) RCW 48.21.120 (Readjustment of premiums--Dividends) and 1947 28 c 79 s .21.12;
- 29 (17) RCW 48.21.125 (When injury caused by intoxication or use of 30 narcotics) and 2004 c 112 s 3;
 - (18) RCW 48.21.130 (Chiropody) and 1963 c 87 s 2;
 - (19) RCW 48.21.140 (Optometry) and 1965 c 149 s 3;
- 33 (20) RCW 48.21.141 (Registered nurses or advanced registered nurses) and 1994 sp.s. c 9 s 730 & 1973 1st ex.s. c 188 s 4;
- 35 (21) RCW 48.21.142 (Chiropractic) and 1971 ex.s. c 13 s 2;
- 36 (22) RCW 48.21.143 (Diabetes coverage--Definitions) and 2004 c 244 37 s 10 & 1997 c 276 s 3;

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1 (23) RCW 48.21.144 (Psychological services) and 1971 ex.s. c 197 s 2;
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(24) RCW 48.21.146 (Dentistry) and 1974 ex.s. c 42 s 2;

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- 4 (25) RCW 48.21.148 (Denturist services) and 1995 c 1 s 22;
- 5 (26) RCW 48.21.150 (Dependent child coverage--Continuation for incapacity) and 1977 ex.s. c 80 s 32 & 1969 ex.s. c 128 s 4;
- 7 (27) RCW 48.21.155 (Dependent child coverage--From moment of 8 birth--Congenital anomalies--Notification of birth) and 1983 1st ex.s. 9 c 32 s 20 & 1974 ex.s. c 139 s 2;
- 10 (28) RCW 48.21.160 (Chemical dependency benefits--Legislative declaration) and 1987 c 458 s 13 & 1974 ex.s. c 119 s 1;
- 12 (29) RCW 48.21.180 (Chemical dependency benefits--Contracts issued 13 or renewed after January 1, 1988) and 2003 c 248 s 9, 1990 1st ex.s. c 14 3 s 7, 1987 c 458 s 14, & 1974 ex.s. c 119 s 3;
- 15 (30) RCW 48.21.190 (Chemical dependency benefits--RCW 48.21.160 16 through 48.21.190, 48.44.240 inapplicable, when) and 1975 1st ex.s. c 17 266 s 10 & 1974 ex.s. c 119 s 5;
- 18 (31) RCW 48.21.195 ("Chemical dependency" defined) and 1987 c 458 19 s 15;
- 20 (32) RCW 48.21.197 (Chemical dependency benefits--Rules) and 1987 21 c 458 s 21;
- (33) RCW 48.21.200 (Group disability, health care service contract, health maintenance agreement--Reduction or refusal of benefits on basis of other existing coverages) and 1993 c 492 s 282;
- 25 (34) RCW 48.21.220 (Home health care, hospice care, optional coverage required--Standards, limitations, restrictions--Rules-27 Medicare supplemental contracts excluded) and 1988 c 245 s 31, 1984 c 28 22 s 1, & 1983 c 249 s 1;
- 29 (35) RCW 48.21.225 (Mammograms--Insurance coverage) and 1994 sp.s. 30 c 9 s 731 & 1989 c 338 s 2;
- 31 (36) RCW 48.21.230 (Reconstructive breast surgery) and 1985 c 54 s 32 6 & 1983 c 113 s 2;
- 33 (37) RCW 48.21.235 (Mastectomy, lumpectomy) and 1985 c 54 s 2;
- 34 (38) RCW 48.21.240 (Mental health treatment, optional supplemental coverage--Waiver) and 2005 c 6 s 7, 1987 c 283 s 3, 1986 c 184 s 2, & 1983 c 35 s 1;
- 37 (39) RCW 48.21.241 (Mental health services--Definition--Coverage required, when) and 2005 c 6 s 3;

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- 1 (40) RCW 48.21.242 (Mental health treatment--Waiver of preauthorization for persons involuntarily committed) and 1993 c 272 s
- 3 3;
- 4 (41) RCW 48.21.244 (Benefits for prenatal diagnosis of congenital
- 5 disorders--Contracts entered into or renewed on or after January 1,
- 6 1990) and 1988 c 276 s 6;
- 7 (42) RCW 48.21.250 (Continuation option to be offered) and 1984 c
- 8 190 s 2;
- 9 (43) RCW 48.21.260 (Conversion policy to be offered--Exceptions,
- 10 conditions) and 1984 c 190 s 3;
- 11 (44) RCW 48.21.270 (Conversion policy--Restrictions and
- 12 requirements) and 1984 c 190 s 4;
- 13 (45) RCW 48.21.280 (Coverage for adopted children) and 1986 c 140
- 14 s 3;
- 15 (46) RCW 48.21.290 (Cancellation of rider) and 1987 c 37 s 2;
- 16 (47) RCW 48.21.300 (Phenylketonuria) and 1988 c 173 s 2;
- 17 (48) RCW 48.21.310 (Neurodevelopmental therapies--Employer-
- 18 sponsored group contracts) and 1989 c 345 s 2;
- 19 (49) RCW 48.21.320 (Temporomandibular joint disorders--Insurance
- 20 coverage) and 1989 c 331 s 2;
- 21 (50) RCW 48.21.325 (Prescriptions--Preapproval of individual
- 22 claims--Subsequent rejection prohibited--Written record required) and
- 23 1993 c 253 s 3; and
- 24 (51) RCW 48.21.330 (Nonresident pharmacies) and 2005 c 274 s 311 &
- 25 1991 c 87 s 8.
- 26 <u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 43.131 RCW
- 27 to read as follows:
- The provisions of chapter 48.43 RCW, insurance reform, shall be
- 29 terminated July 1, 2008, as provided in section 4 of this act.
- 30 <u>NEW SECTION.</u> **Sec. 4.** A new section is added to chapter 43.131 RCW
- 31 to read as follows:
- 32 The following acts or parts of acts, as now existing or hereafter
- 33 amended, are each repealed, effective July 1, 2009:
- 34 (1) RCW 48.43.001 (Intent) and 1996 c 312 s 1;
- 35 (2) RCW 48.43.005 (Definitions) and 2004 c 244 s 2;

- 1 (3) RCW 48.43.012 (Individual health benefit plans--Preexisting 2 conditions) and 2001 c 196 s 6 & 2000 c 79 s 19;
- 3 (4) RCW 48.43.015 (Health benefit plans--Preexisting conditions) 4 and 2004 c 192 s 5, 2001 c 196 s 7, 2000 c 80 s 3, 2000 c 79 s 20, & 5 1995 c 265 s 5;
- 6 (5) RCW 48.43.018 (Requirement to complete the standard health questionnaire--Exemptions--Results) and 2004 c 244 s 3, 2001 c 196 s 8, 2000 c 80 s 4, & 2000 c 79 s 21;
- 9 (6) RCW 48.43.021 (Personally identifiable health information-10 Restrictions on release) and 2000 c 79 s 22;
- 11 (7) RCW 48.43.022 (Enrollee identification card--Social security 12 number restriction) and 2004 c 115 s 1;
- 13 (8) RCW 48.43.023 (Pharmacy identification cards--Rules) and 2001 14 c 106 s 2;
- 15 (9) RCW 48.43.025 (Group health benefit plans--Preexisting conditions) and 2001 c 196 s 9, 2000 c 79 s 23, & 1995 c 265 s 6;
- 17 (10) RCW 48.43.028 (Eligibility to purchase certain health benefit plans--Small employers and small groups) and 2001 c 196 s 10;
- 19 (11) RCW 48.43.035 (Group health benefit plans--Guaranteed issue 20 and continuity of coverage--Exceptions--Group of one) and 2004 c 244 s 21 4, 2000 c 79 s 24, & 1995 c 265 s 7;
- 22 (12) RCW 48.43.038 (Individual health plans--Guarantee of continuity of coverage--Exceptions) and 2000 c 79 s 25;
- 24 (13) RCW 48.43.041 (Individual health benefit plans--Mandatory 25 benefits) and 2000 c 79 s 26;
- 26 (14) RCW 48.43.045 (Health plan requirements--Annual reports--27 Exemptions) and 1997 c 231 s 205 & 1995 c 265 s 8;
- 28 (15) RCW 48.43.055 (Procedures for review and adjudication of 29 health care provider complaints--Requirements) and 2005 c 172 s 19, 30 2002 c 300 s 6, & 1995 c 265 s 20;
- 31 (16) RCW 48.43.065 (Right of individuals to receive services--Right of providers, carriers, and facilities to refuse to participate in or pay for services for reason of conscience or religion--Requirements) and 1995 c 265 s 25;
- 35 (17) RCW 48.43.085 (Health carrier may not prohibit its enrollees 36 from contracting for services outside the health care plan) and 1996 c 37 312 s 3;

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- 1 (18) RCW 48.43.087 (Contracting for services at enrollee's 2 expense--Mental health care practitioner--Conditions--Exception) and 3 2001 c 251 s 33 & 1996 c 304 s 1;
- 4 (19) RCW 48.43.091 (Health carrier coverage of outpatient mental 5 health services--Requirements) and 1999 c 87 s 1;
- 6 (20) RCW 48.43.093 (Health carrier coverage of emergency medical services--Requirements--Conditions) and 1997 c 231 s 301;
- 8 (21) RCW 48.43.097 (Filing of financial statements--Every health 9 carrier) and 1999 c 33 s 3;
- 10 (22) RCW 48.43.105 (Preparation of documents that compare health 11 carriers--Immunity--Due diligence) and 1996 c 312 s 5;
- 12 (23) RCW 48.43.115 (Maternity services--Intent--Definitions--13 Patient preference--Clinical sovereignty of provider--Notice to 14 policyholders--Application) and 2003 c 248 s 14 & 1996 c 281 s 1;
- 15 (24) RCW 48.43.125 (Coverage at a long-term care facility following 16 hospitalization--Definition) and 1999 c 312 s 2;
 - (25) RCW 48.43.180 (Denturist services) and 1995 c 1 s 23;
- 18 (26) RCW 48.43.185 (General anesthesia services for dental procedures) and 2001 c 321 s 2;
- 20 (27) RCW 48.43.200 (Disclosure of certain material transactions—21 Report—Information is confidential) and 1995 c 86 s 7;
- 22 (28) RCW 48.43.205 (Material acquisitions or dispositions) and 1995 23 c 86 s 8;
- 24 (29) RCW 48.43.210 (Asset acquisitions--Asset dispositions) and 25 1995 c 86 s 9;
- 26 (30) RCW 48.43.215 (Report of a material acquisition or disposition of assets--Information required) and 1995 c 86 s 10;
- 28 (31) RCW 48.43.220 (Material nonrenewals, cancellations, or revisions of ceded reinsurance agreements) and 1995 c 86 s 11;
- 30 (32) RCW 48.43.225 (Report of a material nonrenewal, cancellation, 31 or revision of ceded reinsurance agreements--Information required) and 32 1995 c 86 s 12;
 - (33) RCW 48.43.300 (Definitions) and 1998 c 241 s 1;
- 34 (34) RCW 48.43.305 (Report of RBC levels--Distribution of report--35 Formula for determination--Commissioner may make adjustments) and 1998
- 36 c 241 s 2;

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37 (35) RCW 48.43.310 (Company action level event--Required RBC plan--

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- 1 Commissioner's review--Notification--Challenge by carrier) and 1998 c 2 41 s 3;
- 3 (36) RCW 48.43.315 (Regulatory action level event--Required RBC 4 plan--Commissioner's review--Notification--Challenge by carrier) and 5 1998 c 241 s 4;
- 6 (37) RCW 48.43.320 (Authorized control level event--Commissioner's options) and 1998 c 241 s 5;
- 8 (38) RCW 48.43.325 (Mandatory control level event--Commissioner's duty--Regulatory control) and 1998 c 241 s 6;
- 10 (39) RCW 48.43.330 (Carrier's right to hearing--Request by 11 carrier--Date set by commissioner) and 1998 c 241 s 7;
- 12 (40) RCW 48.43.335 (Confidentiality of RBC reports and plans--Use 13 of certain comparisons prohibited--Certain information intended solely 14 for use by commissioner) and 1998 c 241 s 8;
- 15 (41) RCW 48.43.340 (Powers or duties of commissioner not limited-16 Rules) and 1998 c 241 s 9;
- 17 (42) RCW 48.43.345 (Foreign or alien carriers--Required RBC 18 report--Commissioner may require RBC plan--Mandatory control level event) and 1998 c 241 s 10;
- 20 (43) RCW 48.43.350 (No liability or cause of action against 21 commissioner or department) and 1998 c 241 s 11;
- 22 (44) RCW 48.43.355 (Notice by commissioner to carrier--When 23 effective) and 1998 c 241 s 12;
- 24 (45) RCW 48.43.360 (Initial RBC reports--Calculation of initial RBC levels--Subsequent reports) and 1998 c 241 s 13;
- 26 (46) RCW 48.43.365 (RBC report for 1998 calendar year) and 1998 c 27 241 s 14;
- 28 (47) RCW 48.43.366 (Self-funded multiple employer welfare 29 arrangements) and 2004 c 260 s 19;
- 30 (48) RCW 48.43.370 (RBC standards not applicable to certain 31 carriers) and 1998 c 241 s 15;
 - (49) RCW 48.43.500 (Intent--Purpose--2000 c 5) and 2000 c 5 s 1;

- 33 (50) RCW 48.43.505 (Requirement to protect enrollee's right to privacy or confidential services--Rules) and 2000 c 5 s 5;
- 35 (51) RCW 48.43.510 (Carrier required to disclose health plan 36 information--Marketing and advertising restrictions--Rules) and 2000 c 37 5 s 6;

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- 1 (52) RCW 48.43.515 (Access to appropriate health services--Enrollee 2 options--Rules) and 2000 c 5 s 7;
- 3 (53) RCW 48.43.520 (Requirement to maintain a documented 4 utilization review program description and written utilization review 5 criteria--Rules) and 2000 c 5 s 8;
- 6 (54) RCW 48.43.525 (Prohibition against retrospective denial of health plan coverage--Rules) and 2000 c 5 s 9;
- 8 (55) RCW 48.43.530 (Requirement for carriers to have a 9 comprehensive grievance process--Carrier's duties--Procedures-10 Appeals--Rules) and 2000 c 5 s 10;
- 11 (56) RCW 48.43.535 (Independent review of health care disputes-12 System for using certified independent review organizations--Rules) and
 13 2000 c 5 s 11;
- 14 (57) RCW 48.43.540 (Requirement to designate a licensed medical director--Exemption) and 2002 c 103 s 1 & 2000 c 5 s 13;
- 16 (58) RCW 48.43.545 (Standard of care--Liability--Causes of action-17 Defense--Exception) and 2000 c 5 s 17;
- 18 (59) RCW 48.43.550 (Delegation of duties--Carrier accountability) 19 and 2000 c 5 s 18;
- 20 (60) RCW 48.43.600 (Overpayment recovery--Carrier) and 2005 c 278 21 s 1;
- 22 (61) RCW 48.43.605 (Overpayment recovery--Health care provider) and 23 2005 c 278 s 2;
- 24 (62) RCW 48.43.901 (Captions not law--1996 c 312) and 1996 c 312 s 25 6;
- 26 (63) RCW 48.43.902 (Effective date--1996 c 312) and 1996 c 312 s 8; 27 and
- 28 (64) RCW 48.43.903 (Severability--1998 c 241) and 1998 c 241 s 17.
- NEW SECTION. Sec. 5. A new section is added to chapter 43.131 RCW to read as follows:
- The provisions of chapter 48.44 RCW, health care services, shall be terminated July 1, 2008, as provided in section 6 of this act.
- NEW SECTION. Sec. 6. A new section is added to chapter 43.131 RCW to read as follows:
- The following acts or parts of acts, as now existing or hereafter amended, are each repealed, effective July 1, 2009:

- 1 (1) RCW 48.44.010 (Definitions) and 1990 c 120 s 1 & 1986 c 223 s 2 1;
- 3 (2) RCW 48.44.011 (Agent--Definition--License required--4 Application, issuance, renewal, fees--Penalties involving license) and 5 1983 c 202 s 1 & 1969 c 115 s 7;
- 6 (3) RCW 48.44.013 (Filings with secretary of state--Copy for commissioner) and 1998 c 23 s 16;
- 8 (4) RCW 48.44.015 (Registration by health care service contractors 9 required--Penalty) and 2003 c 250 s 7, 1983 c 202 s 2, & 1969 c 115 s 10 6;
- 11 (5) RCW 48.44.016 (Unregistered activities--Acts committed in this state--Sanctions) and 2003 c 250 s 8;
- 13 (6) RCW 48.44.017 (Schedule of rates for individual contracts--Loss 14 ratio--Remittance of premiums--Definitions) and 2001 c 196 s 11 & 2000 c 79 s 29;
- 16 (7) RCW 48.44.020 (Contracts for services--Examination of contract forms by commissioner--Grounds for disapproval--Liability of participant) and 2000 c 79 s 28, 1990 c 120 s 5, 1986 c 223 s 2, 1985 c 283 s 1, 1983 c 286 s 4, 1973 1st ex.s. c 65 s 1, 1969 c 115 s 1, 1961 c 197 s 2, & 1947 c 268 s 2;
- 21 (8) RCW 48.44.022 (Calculation of premiums--Adjusted community 22 rate--Definitions) and 2004 c 244 s 6, 2000 c 79 s 30, 1997 c 231 s 23 208, & 1995 c 265 s 15;
- (9) RCW 48.44.023 (Health plan benefits for small employers-Coverage--Exemption from statutory requirements--Premium rates-Requirements for providing coverage for small employers) and 2004 c 244
 s 7, 1995 c 265 s 16, & 1990 c 187 s 3;
- 28 (10) RCW 48.44.024 (Requirements for plans offered to small employers--Definitions) and 2003 c 248 s 15 & 1995 c 265 s 23;
- 30 (11) RCW 48.44.026 (Payment for certain health care services) and 31 1999 c 130 s 1, 1994 sp.s. c 9 s 732, 1990 c 120 s 6, 1989 c 122 s 1, 32 1984 c 283 s 1, & 1982 c 168 s 1;
- 33 (12) RCW 48.44.030 (Underwriting of indemnity by insurance policy, 34 bond, securities, or cash deposit) and 1990 c 120 s 7, 1986 c 223 s 3, 35 1981 c 339 s 22, 1969 c 115 s 2, 1961 c 197 s 3, & 1947 c 268 s 3;
- 36 (13) RCW 48.44.033 (Financial failure--Supervision of 37 commissioner--Priority of distribution of assets) and 1990 c 120 s 2;

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- 1 (14) RCW 48.44.035 (Limited health care service--Uncovered 2 expenditures--Minimum net worth requirements) and 1997 c 212 s 1 & 1990 3 c 120 s 3;
- 4 (15) RCW 48.44.037 (Minimum net worth--Requirement to maintain-5 Determination of amount) and 1997 c 212 s 2 & 1990 c 120 s 4;
- 6 (16) RCW 48.44.039 (Minimum net worth--Domestic or foreign health 7 care service contractor) and 1997 c 212 s 3;
- 8 (17) RCW 48.44.040 (Registration with commissioner--Fee) and 1947 9 c 268 s 4;
- 10 (18) RCW 48.44.050 (Rules and regulations) and 1947 c 268 s 5;
- 11 (19) RCW 48.44.055 (Plan for handling insolvency--Commissioner's review) and 1990 c 120 s 11;
- 13 (20) RCW 48.44.057 (Insolvency--Commissioner's duties-14 Participants' options--Allocation of coverage) and 1990 c 120 s 8;
- 15 (21) RCW 48.44.060 (Penalty) and 2003 c 250 s 9 & 1947 c 268 s 6;
- 16 (22) RCW 48.44.070 (Contracts to be filed with commissioner) and 17 1990 c 120 s 9, 1965 c 87 s 2, & 1961 c 197 s 4;
- 18 (23) RCW 48.44.080 (Master lists of contractor's participating 19 providers--Filing with commissioner--Notice of termination or 20 participation) and 1990 c 120 s 10, 1986 c 223 s 4, 1965 c 87 s 3, & 21 1961 c 197 s 5;
- (24) RCW 48.44.090 (Refusal to register corporate, etc., contractor if name confusing with existing contractor or insurance company) and 1961 c 197 s 6;
- 25 (25) RCW 48.44.095 (Annual financial statement--Filings--Contents--26 Fee--Penalty for failure to file) and 1997 c 212 s 4, 1993 c 492 s 295, 27 1983 c 202 s 3, & 1969 c 115 s 5;
- 28 (26) RCW 48.44.100 (Filing inaccurate financial statement 29 prohibited) and 1961 c 197 s 7;
- 30 (27) RCW 48.44.110 (False representation, advertising) and 1961 c 31 197 s 8;
- 32 (28) RCW 48.44.120 (Misrepresentations of contract terms, benefits, 33 etc.) and 1961 c 197 s 9;
- 34 (29) RCW 48.44.130 (Future dividends or refunds--When permissible) 35 and 1961 c 197 s 10;
- 36 (30) RCW 48.44.140 (Misleading comparisons to terminate or retain contract) and 1961 c 197 s 11;

- 1 (31) RCW 48.44.145 (Examination of contractors--Duties of contractor, powers of commissioner--Independent audit reports) and 1986 c 296 s 8, 1983 c 63 s 1, & 1969 c 115 s 12;
- 4 (32) RCW 48.44.150 (Certificate of registration not an endorsement--Display in solicitation prohibited) and 1961 c 197 s 12;
- 6 (33) RCW 48.44.160 (Revocation, suspension, refusal of registration--Hearing--Cease and desist orders, injunctive action--8 Grounds) and 1988 c 248 s 19, 1973 1st ex.s. c 65 s 2, 1969 c 115 s 3, 9 & 1961 c 197 s 13;
- 10 (34) RCW 48.44.164 (Notice of suspension, revocation, or refusal to 11 be given contractor--Authority of agents) and 1969 c 115 s 10;
- 12 (35) RCW 48.44.166 (Fine in addition to or in lieu of suspension, 13 revocation, or refusal) and 1983 c 202 s 4 & 1969 c 115 s 11;
 - (36) RCW 48.44.170 (Hearings and appeals) and 1961 c 197 s 14;
- 15 (37) RCW 48.44.180 (Enforcement) and 1961 c 197 s 15;

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- 16 (38) RCW 48.44.200 (Individual health care service plan contracts-17 Coverage of dependent child not to terminate because of developmental
 18 disability or physical handicap) and 1977 ex.s. c 80 s 33 & 1969 ex.s.
 19 c 128 s 1;
 - (39) RCW 48.44.210 (Group health care service plan contracts—Coverage of dependent child not to terminate because of developmental disability or physical handicap) and 1977 ex.s. c 80 s 34 & 1969 ex.s. c 128 s 2;
- (40) RCW 48.44.212 (Coverage of dependent children to include newborn infants and congenital anomalies from moment of birth-Notification period) and 1984 c 4 s 1, 1983 c 202 s 5, & 1974 ex.s. c 139 s 3;
- 28 (41) RCW 48.44.220 (Discrimination prohibited) and 1983 c 154 s 4, 29 1979 c 127 s 1, & 1969 c 115 s 4;
- 30 (42) RCW 48.44.225 (Podiatrists not excluded) and 1983 c 154 s 5;
- 31 (43) RCW 48.44.230 (Individual health service plan contract--Return 32 within ten days of delivery--Refunds--Void from beginning--Notice 33 required) and 1983 1st ex.s. c 32 s 11 & 1973 1st ex.s. c 65 s 4;
- 34 (44) RCW 48.44.240 (Chemical dependency benefits--Provisions of 35 group contracts delivered or renewed after January 1, 1988) and 2005 c 36 223 s 25, 1990 1st ex.s. c 3 s 12, 1987 c 458 s 16, 1975 1st ex.s. c 37 266 s 14, & 1974 ex.s. c 119 s 4;

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- 1 (45) RCW 48.44.245 ("Chemical dependency" defined) and 1987 c 458 2 s 17;
- 3 (46) RCW 48.44.250 (Payment of premium by employee in event of 4 suspension of compensation due to labor dispute) and 1982 c 149 s 1 & 5 1975 1st ex.s. c 117 s 3;
- 6 (47) RCW 48.44.260 (Notice of reason for cancellation, denial, or refusal to renew contract) and 1993 c 492 s 290 & 1979 c 133 s 3;
- 8 (48) RCW 48.44.270 (Immunity from libel or slander) and 1979 c 133 9 s 4;
- 10 (49) RCW 48.44.290 (Registered nurses or advanced registered nurses) and 1994 sp.s. c 9 s 733, 1986 c 223 s 6, & 1981 c 175 s 1;
- 12 (50) RCW 48.44.299 (Legislative finding) and 1983 c 154 s 1;
- 13 (51) RCW 48.44.300 (Podiatry--Benefits not to be denied) and 1986 14 c 223 s 7 & 1983 c 154 s 2;
- 15 (52) RCW 48.44.305 (When injury caused by intoxication or use of narcotics) and 2004 c 112 s 4;
 - (53) RCW 48.44.309 (Legislative finding) and 1983 c 286 s 1;
- 18 (54) RCW 48.44.310 (Chiropractic care, coverage required, 19 exceptions) and 1986 c 223 s 8 & 1983 c 286 s 2;
- 20 (55) RCW 48.44.315 (Diabetes coverage--Definitions) and 2004 c 244 21 s 12 & 1997 c 276 s 4;
- (56) RCW 48.44.320 (Home health care, hospice care, optional coverage required--Standards, limitations, restrictions--Rules-Medicare supplemental contracts excluded) and 1989 1st ex.s. c 9 s 222,
- 25 1988 c 245 s 33, 1984 c 22 s 3, & 1983 c 249 s 3;
- 26 (57) RCW 48.44.325 (Mammograms--Insurance coverage) and 1994 sp.s.
- 27 c 9 s 734 & 1989 c 338 s 3;
- 28 (58) RCW 48.44.330 (Reconstructive breast surgery) and 1985 c 54 s 29 7 & 1983 c 113 s 3;
- 30 (59) RCW 48.44.335 (Mastectomy, lumpectomy) and 1985 c 54 s 3;
- 31 (60) RCW 48.44.340 (Mental health treatment, optional supplemental
- 32 coverage--Waiver) and 2005 c 6 s 8, 1987 c 283 s 4, 1986 c 184 s 3, &
- 33 1983 c 35 s 2;

- 34 (61) RCW 48.44.341 (Mental health services--Definition--Coverage required, when) and 2005 c 6 s 4;
- 36 (62) RCW 48.44.342 (Mental health treatment--Waiver of preauthorization for persons involuntarily committed) and 1993 c 272 s 38 4;

- 1 (63) RCW 48.44.344 (Benefits for prenatal diagnosis of congenital 2 disorders--Contracts entered into or renewed on or after January 1, 3 1990) and 1988 c 276 s 7;
- 4 (64) RCW 48.44.350 (Financial interests of health care service 5 contractors, restricted--Exceptions, regulations) and 1986 c 223 s 9 & 6 1983 c 202 s 6;
- 7 (65) RCW 48.44.360 (Continuation option to be offered) and 1984 c 8 190 s 5;
- 9 (66) RCW 48.44.370 (Conversion contract to be offered--Exceptions, conditions) and 1984 c 190 s 6;
- 11 (67) RCW 48.44.380 (Conversion contract--Restrictions and 12 requirements) and 1984 c 190 s 7;
- 13 (68) RCW 48.44.390 (Modification of basis of agreement, endorsement 14 required) and 1986 c 223 s 10;
- 15 (69) RCW 48.44.400 (Continuance provisions for former family 16 members) and 1986 c 223 s 11;
- 17 (70) RCW 48.44.420 (Coverage for adopted children) and 1986 c 140 18 s 4;
- 19 (71) RCW 48.44.430 (Cancellation of rider) and 1987 c 37 s 3;
- 20 (72) RCW 48.44.440 (Phenylketonuria) and 1988 c 173 s 3;
- 21 (73) RCW 48.44.450 (Neurodevelopmental therapies--Employer-22 sponsored group contracts) and 1989 c 345 s 1;
- 23 (74) RCW 48.44.460 (Temporomandibular joint disorders--Insurance 24 coverage) and 1989 c 331 s 3;
- 25 (75) RCW 48.44.465 (Prescriptions--Preapproval of individual claims--Subsequent rejection prohibited--Written record required) and 1993 c 253 s 4;
- 28 (76) RCW 48.44.470 (Nonresident pharmacies) and 2005 c 274 s 314 & 29 1991 c 87 s 9;
- 30 (77) RCW 48.44.500 (Denturist services) and 1995 c 1 s 24;
- 31 (78) RCW 48.44.530 (Disclosure of certain material transactions— 32 Report—Information is confidential) and 1995 c 86 s 13;
- (79) RCW 48.44.535 (Material acquisitions or dispositions) and 1995 c 86 s 14;
- 35 (80) RCW 48.44.540 (Asset acquisitions--Asset dispositions) and 36 1995 c 86 s 15;
- 37 (81) RCW 48.44.545 (Report of a material acquisition or disposition 38 of assets--Information required) and 1995 c 86 s 16;

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- 1 (82) RCW 48.44.550 (Material nonrenewals, cancellations, or
- 2 revisions of ceded reinsurance agreements) and 1995 c 86 s 17; and
- 3 (83) RCW 48.44.555 (Report of a material nonrenewal, cancellation,
- 4 or revision of ceded reinsurance agreements--Information required) and
- 5 1995 c 86 s 18.
- 6 <u>NEW SECTION.</u> **Sec. 7.** A new section is added to chapter 43.131 RCW
- 7 to read as follows:
- 8 The provisions of chapter 48.46 RCW, health maintenance
- 9 organizations, shall be terminated July 1, 2008, as provided in section
- 10 8 of this act.
- 11 <u>NEW SECTION.</u> **Sec. 8.** A new section is added to chapter 43.131 RCW
- 12 to read as follows:
- 13 The following acts or parts of acts, as now existing or hereafter
- 14 amended, are each repealed, effective July 1, 2009:
- 15 (1) RCW 48.46.010 (Legislative declaration--Purpose) and 1975 1st
- 16 ex.s. c 290 s 2;
- 17 (2) RCW 48.46.012 (Filings with secretary of state--Copy for
- 18 commissioner) and 1998 c 23 s 17;
- 19 (3) RCW 48.46.020 (Definitions) and 1990 c 119 s 1, 1983 c 106 s 1,
- 20 1982 c 151 s 1, & 1975 1st ex.s. c 290 s 3;
- 21 (4) RCW 48.46.023 (Agent--Definition--License required--
- 22 Application, issuance, renewal, fees--Penalties involving license) and
- 23 1983 c 202 s 8;
- 24 (5) RCW 48.46.027 (Registration, required--Issuance of securities--
- 25 Penalty) and 2003 c 250 s 10 & 1983 c 202 s 9;
- 26 (6) RCW 48.46.030 (Eligibility requirements for certificate of
- 27 registration--Application requirements, information) and 1990 c 119 s
- 28 2, 1985 c 320 s 1, 1983 c 106 s 2, & 1975 1st ex.s. c 290 s 4;
- 29 (7) RCW 48.46.033 (Unregistered activities--Acts committed in this
- 30 state--Sanctions) and 2003 c 250 s 11;
- 31 (8) RCW 48.46.040 (Certificate of registration--Issuance--Grounds
- 32 for refusal--Name restrictions--Inspection and review of facilities)
- 33 and 1990 c 119 s 3, 1989 1st ex.s. c 9 s 223, 1983 c 106 s 3, & 1975
- 34 1st ex.s. c 290 s 5;
- 35 (9) RCW 48.46.045 (Catastrophic health plans permitted) and 2000 c
- 36 79 s 27;

- 1 (10) RCW 48.46.060 (Prepayment agreements--Standards for forms and 2 documents--Grounds for disapproval--Cancellation or failure to renew--3 Filing of agreement forms) and 2000 c 79 s 31 & 1989 c 10 s 10;
- 4 (11) RCW 48.46.062 (Schedule of rates for individual agreements-5 Loss ratio--Remittance of premiums--Definitions) and 2001 c 196 s 12 &
 6 2000 c 79 s 32;
- 7 (12) RCW 48.46.064 (Calculation of premiums--Adjusted community 8 rate--Definitions) and 2004 c 244 s 8, 2000 c 79 s 33, 1997 c 231 s 9 209, & 1995 c 265 s 17;
- 10 (13) RCW 48.46.066 (Health plan benefits for small employers-11 Coverage--Exemption from statutory requirements--Premium rates-12 Requirements for providing coverage for small employers) and 2004 c 244
 13 s 9, 1995 c 265 s 18, & 1990 c 187 s 4;
- 14 (14) RCW 48.46.068 (Requirements for plans offered to small employers--Definitions) and 2003 c 248 s 16 & 1995 c 265 s 24;
- 16 (15) RCW 48.46.070 (Governing body) and 1985 c 320 s 3, 1983 c 106 17 s 5, & 1975 1st ex.s. c 290 s 8;
- 18 (16) RCW 48.46.080 (Annual statement--Filings--Contents--Fee-19 Penalty for failure to file--Accuracy required) and 1997 c 212 s 5 &
 20 1993 c 492 s 296;
- 21 (17) RCW 48.46.090 (Standard of services provided) and 1975 1st 22 ex.s. c 290 s 10;
- 23 (18) RCW 48.46.100 (Grievance procedure) and 1975 1st ex.s. c 290 24 s 11;
- 25 (19) RCW 48.46.110 (Name restrictions--Discrimination--Recovery of costs of health care services participant not entitled to) and 1983 c 202 s 11 & 1975 1st ex.s. c 290 s 12;
- 28 (20) RCW 48.46.120 (Examination of health maintenance organizations—Duties of organizations, powers of commissioner—
 30 Independent audit reports—Assessment of organizations for costs, conditions) and 1987 c 83 s 1, 1986 c 296 s 9, 1985 c 7 s 115, 1983 c 63 s 2, & 1975 1st ex.s. c 290 s 13;
- 33 (21) RCW 48.46.130 (Investigation of violations--Hearing--34 Findings--Penalties--Order requiring compliance, etc.--Suspension or 35 revocation of certificate, effect--Application to courts) and 1975 1st 36 ex.s. c 290 s 14;
- 37 (22) RCW 48.46.135 (Fine in addition to or in lieu of suspension, 38 revocation, or refusal) and 1983 c 202 s 15;

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- 1 (23) RCW 48.46.140 (Fees) and 1975 1st ex.s. c 290 s 15;
- 2 (24) RCW 48.46.170 (Effect of chapter as to other laws--
- 3 Construction) and 2003 c 248 s 17, 1996 c 178 s 13, 1983 c 106 s 7, &
- 4 1975 1st ex.s. c 290 s 18;
- 5 (25) RCW 48.46.180 (Duty of employer to inform and make available
- 6 to employees option of enrolling in health maintenance organization)
- 7 and 1975 1st ex.s. c 290 s 19;
- 8 (26) RCW 48.46.200 (Rules and regulations) and 1975 1st ex.s. c 290
- 9 s 21;
- 10 (27) RCW 48.46.210 (Compliance with federal funding requirements--
- 11 Construction) and 1975 1st ex.s. c 290 s 22;
- 12 (28) RCW 48.46.220 (Review of administrative action) and 1975 1st
- 13 ex.s. c 290 s 23;
- 14 (29) RCW 48.46.225 (Financial failure--Supervision of
- 15 commissioner--Priority of distribution of assets) and 2003 c 248 s 18
- 16 & 1990 c 119 s 4;
- 17 (30) RCW 48.46.235 (Minimum net worth--Requirement to maintain--
- 18 Determination of amount) and 1997 c 212 s 6 & 1990 c 119 s 5;
- 19 (31) RCW 48.46.237 (Minimum net worth--Domestic or foreign health
- 20 maintenance organization) and 1997 c 212 s 7;
- 21 (32) RCW 48.46.240 (Funded reserve requirements) and 1990 c 119 s
- 22 6, 1985 c 320 s 4, & 1982 c 151 s 3;
- 23 (33) RCW 48.46.243 (Contract--Participant liability--Commissioner's
- 24 review) and 1990 c 119 s 7;
- 25 (34) RCW 48.46.245 (Plan for handling insolvency--Commissioner's
- 26 review) and 1990 c 119 s 8;
- 27 (35) RCW 48.46.247 (Insolvency--Commissioner's duties--
- 28 Participants' options--Allocation of coverage) and 1990 c 119 s 9;
- 29 (36) RCW 48.46.250 (Coverage of dependent children--Newborn
- 30 infants, congenital anomalies--Notification period) and 1984 c 4 s 2 &
- 31 1983 c 202 s 12;
- 32 (37) RCW 48.46.260 (Individual health maintenance agreement--Return
- 33 within ten days of delivery--Refunds--Void from beginning) and 1983 c
- 34 202 s 13;
- 35 (38) RCW 48.46.270 (Financial interests of health maintenance
- 36 organization authorities, restricted--Exceptions, regulations) and 1985
- 37 c 320 s 5 & 1983 c 202 s 14;

- 1 (39) RCW 48.46.272 (Diabetes coverage--Definitions) and 2004 c 244 2 s 14 & 1997 c 276 s 5;
- 3 (40) RCW 48.46.275 (Mammograms--Insurance coverage) and 1994 sp.s.
- 4 c 9 s 735 & 1989 c 338 s 4;
- 5 (41) RCW 48.46.280 (Reconstructive breast surgery) and 1985 c 54 s
- 6 8 & 1983 c 113 s 4;
- 7 (42) RCW 48.46.285 (Mastectomy, lumpectomy) and 1985 c 54 s 4;
- 8 (43) RCW 48.46.290 (Mental health treatment, optional supplemental
- 9 coverage--Waiver) and 2005 c 6 s 9, 1987 c 283 s 5, 1986 c 184 s 4, &
- 10 1983 c 35 s 3;
- 11 (44) RCW 48.46.291 (Mental health services--Definition--Coverage
- 12 required, when) and 2005 c 6 s 5;
- 13 (45) RCW 48.46.292 (Mental health treatment--Waiver of
- 14 preauthorization for persons involuntarily committed) and 1993 c 272 s
- 15 5;
- 16 (46) RCW 48.46.300 (Future dividends or refunds, restricted--
- 17 Issuance or sale of securities regulated) and 1983 c 106 s 8;
- 18 (47) RCW 48.46.310 (Registration not endorsement) and 1983 c 106 s
- 19 9;
- 20 (48) RCW 48.46.320 (Dependent children, termination of coverage,
- 21 conditions) and 1985 c 320 s 6 & 1983 c 106 s 10;
- 22 (49) RCW 48.46.340 (Return of agreement within ten days) and 1983
- 23 c 106 s 12;
- 24 (50) RCW 48.46.350 (Chemical dependency treatment) and 2003 c 248
- 25 s 19, 1990 1st ex.s. c 3 s 14, 1987 c 458 s 18, & 1983 c 106 s 13;
- 26 (51) RCW 48.46.355 ("Chemical dependency" defined) and 1987 c 458
- 27 s 19;
- 28 (52) RCW 48.46.360 (Payment of cost of agreement directly to holder
- 29 during labor dispute--Changes restricted--Notice to employee) and 1985
- 30 c 7 s 116 & 1983 c 106 s 14;
- 31 (53) RCW 48.46.370 (Coverage not denied for handicap) and 1983 c
- 32 106 s 15;
- 33 (54) RCW 48.46.375 (Benefits for prenatal diagnosis of congenital
- 34 disorders--Agreements entered into or renewed on or after January 1,
- 35 1990) and 1988 c 276 s 8;
- 36 (55) RCW 48.46.380 (Notice of reason for cancellation, denial, or
- 37 refusal to renew agreement) and 1993 c 492 s 291 & 1983 c 106 s 16;

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- 1 (56) RCW 48.46.390 (Providing information on cancellation or refusal--No liability for insurance commissioner or health maintenance organization) and 1983 c 106 s 17;
- 4 (57) RCW 48.46.400 (False or misleading advertising prohibited) and 5 1983 c 106 s 18;
- 6 (58) RCW 48.46.410 (Misrepresentations to induce termination or retention of agreement prohibited) and 1983 c 106 s 19;
- 8 (59) RCW 48.46.420 (Penalty for violations) and 2003 c 250 s 12, 9 1990 c 119 s 10, & 1983 c 106 s 20;
- 10 (60) RCW 48.46.430 (Enforcement authority of commissioner) and 1983 11 c 106 s 21;
- 12 (61) RCW 48.46.440 (Continuation option to be offered) and 1984 c 13 190 s 8;
- 14 (62) RCW 48.46.450 (Conversion agreement to be offered--Exceptions, conditions) and 1984 c 190 s 9;
- 16 (63) RCW 48.46.460 (Conversion agreement--Restrictions and 17 requirements) and 1984 c 190 s 10;
- 18 (64) RCW 48.46.470 (Endorsement of modifications) and 1985 c 320 s 19 7;
- 20 (65) RCW 48.46.480 (Continuation of coverage of former family 21 members) and 1985 c 320 s 8;
- 22 (66) RCW 48.46.490 (Coverage for adopted children) and 1986 c 140 23 s 5;
- 24 (67) RCW 48.46.500 (Cancellation of rider) and 1987 c 37 s 4;
 - (68) RCW 48.46.510 (Phenylketonuria) and 1988 c 173 s 4;
- 26 (69) RCW 48.46.520 (Neurodevelopmental therapies--Employer-27 sponsored group contracts) and 1989 c 345 s 3;
- 28 (70) RCW 48.46.530 (Temporomandibular joint disorders--Insurance 29 coverage) and 1989 c 331 s 4;
- 30 (71) RCW 48.46.535 (Prescriptions--Preapproval of individual claims--Subsequent rejection prohibited--Written record required) and 1993 c 253 s 5;
- 33 (72) RCW 48.46.540 (Nonresident pharmacies) and 2005 c 274 s 315 & 1991 c 87 s 10;
- 35 (73) RCW 48.46.565 (Foot care services) and 1999 c 64 s 1;
- 36 (74) RCW 48.46.570 (Denturist services) and 1995 c 1 s 25;
- 37 (75) RCW 48.46.575 (Doctor of osteopathic medicine and surgery--

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- Discrimination based on board certification is prohibited) and 1995 c 64 s 1;
- 3 (76) RCW 48.46.580 (When injury caused by intoxication or use of 4 narcotics) and 2004 c 112 s 5;
- 5 (77) RCW 48.46.600 (Disclosure of certain material transactions--6 Report--Information is confidential) and 1995 c 86 s 19;
- 7 (78) RCW 48.46.605 (Material acquisitions or dispositions) and 1995 8 c 86 s 20;
- 9 (79) RCW 48.46.610 (Asset acquisitions--Asset dispositions) and 1995 c 86 s 21;
- 11 (80) RCW 48.46.615 (Report of a material acquisition or disposition of assets--Information required) and 1995 c 86 s 22;
- 13 (81) RCW 48.46.620 (Material nonrenewals, cancellations, or revisions of ceded reinsurance agreements) and 1995 c 86 s 23;
- 15 (82) RCW 48.46.625 (Report of a material nonrenewal, cancellation, 16 or revision of ceded reinsurance agreements--Information required) and 17 1995 c 86 s 24;
- 18 (83) RCW 48.46.900 (Liberal construction) and 1975 1st ex.s. c 290 19 s 24;
- 20 (84) RCW 48.46.910 (Severability--1975 1st ex.s. c 290) and 1975 21 1st ex.s. c 290 s 26; and
- 22 (85) RCW 48.46.920 (Short title) and 1975 1st ex.s. c 290 s 27.
- NEW SECTION. Sec. 9. This act takes effect July 1, 2006.

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